UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/737,454	12/14/2000	Christopher D. Johnson	85CF-00101	1931

7590	05/20/2004

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EXAMINER
CHARLES, DEBRA F

ART UNIT	PAPER NUMBER
3628	

DATE MAILED: 05/20/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

— The MAILING DATE of this communication appears on the cover sheet with the correspondence address —

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) FROM
THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *14 December 2000*.

2a)☐ This action is **FINAL**.   2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-45* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-3, 5-18, 20-33, and 35-45* is/are rejected.

7)☒ Claim(s) *4, 19 and 34* is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☒ The drawing(s) filed on *31 December 2002* is/are: a)☒ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All   b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date *3*.

4)☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.

5)☐ Notice of Informal Patent Application (PTO-152)

6)☐ Other: _____.

Claim Rejections - 35 USC § 112

1.   The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly

claiming the subject matter which the applicant regards as his invention.

2.   Claims 9 and 24 are rejected under 35 U.S.C. 112, second paragraph, as

being indefinite for failing to particularly point out and distinctly claim the subject

matter which applicant regards as the invention.

3.   Claims 9 and 24 recite the limitation "alpha credit analyst table" in line 2,

and the limitation "adjusted credit analyst table" in line 4. There is insufficient

antecedent basis for these limitations in the claim.

Claim Rejections - 35 USC § 101

4.   35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or

composition of matter, or any new and useful improvement thereof, may obtain a patent

therefor, subject to the conditions and requirements of this title.

5.   Claims 1-14 are rejected under 35 U.S.C. 101 because the bodies of the

claims do not recite technology, i.e. computer implementation or any other

technology in a non-trivial manner. *In re Toma*, 197 USPQ 852 (CCPA 1978). *Ex*

parte Bowman 61 USPQ2D 1669.

For a claim to be statutory under 35 USC 101 the following two conditions must

be met:

1) The claimed invention must produce a "useful, concrete, tangible result"

(In *re Alappat*, 31USPQ2d 1545, 1558 (Fed. Cir. 1994) and *State Street vs.*

Financial Signature Group Inc., 47 USPQ2d 1596' 1601-02 (Fed Cir. 1998));

AND

2) The claimed invention must utilize technology in a non-trivial manner

(*Ex parte Bowman*, 61 USPQ2d 1665, 1671 (Bd. Pat. Pat. App. & Inter. 2001)).

As to the technology requirement, note MPEP 2106 IV B 2(b). Also note In

re Waldbaum, 173USPQ 430 (CCPA 1972) which teaches "useful arts" is

synonymous with "technological arts". In *Musgrave*, 167USPQ 280 (CCPA 1970),

In re Johnston, 183USPQ 172 (CCPA 1974), and In *re Toma*, 197USPQ 852

(CCPA 1978), all teach a technological requirement.

In State Street, "in the technological arts" was never an issue. The

invention in the body of the claim must recite technology. If the invention in the

body of the claim is not tied to technological art, environment, or machine, the

claim is not statutory. *Ex parte Bowman* 61USPQ2d 1665,1671 (BD. Pat. App. &

Inter.2001)(Unpublished).

Claim Rejections - 35 USC § 103

6.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for

all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described
>
> as set forth in section 102 of this title, if the differences between the subject matter sought to
>
> be patented and the prior art are such that the subject matter as a whole would have been
>
> obvious at the time the invention was made to a person having ordinary skill in the art to which
>
> said subject matter pertains. Patentability shall not be negatived by the manner in which the
>
> invention was made.

7.   Claims 1-3,5-11,16-18, 20-24,31-33 and 35-39 are rejected under 35

U.S.C. 103(a) as being unpatentable over Pang et al. (U.S.PAT. 6546375 B1)

and Freeman et al. (U.S.PAT. 6249775 B1).

Re claims 1 and 16: Pang et al. disclose a portfolio valuation system for rapid

valuation of asset portfolios(Abstract, col. 2, lines 50-65), said system

comprising:

a computer configured as a server(col. 16, lines 25-35) and to enable valuation

process analytics(col. 4, lines 5-35, i.e. financial instrument engine);

at least one client system connected to said server through a network(col. 4,

lines 15-35,col. 5, lines 1-20, Fig. 1), said server configured to:

value assets in a portfolio individually(col. 11, lines 40-65);

list the asset values individually in tables(col. 17, lines 60-col. 18, lines 30);

optimize the bid pricing for desired risk/return tolerance(col. 9, lines 15-60,i.e.

optimization, col. 11, lines 40-65).

Pang et al. disclose(s) the claimed invention except further configured with a

database of asset portfolios; and aggregate to desired groups or tranches for

bidding purposes. However, in col. 9, lines 10-25,col. 18, lines 45-67, Fig. 10

thereof, Freeman et al. disclose(s) local database which receives a wealth of

statistical specific information about various loans; and analyzing and graphing

results of computer model output combining the entire portfolio. It would be

obvious to one of ordinary skill in the art to modify the invention of Pang et al.

based on the teachings of Freeman et al. The motivation to combine these

references is to make the portfolio analytics more efficient via consolidation within

a database.

Re claims 2 and 17: Pang et al. disclose a server is configured to subject the

assets in the portfolio to an iterative and adaptive valuation in which the assets in

the portfolio are individually valued(col. 4, lines 5-35, i.e. financial instrument

engine, col. 11, lines 40-65, col. 16, lines 25-35).

Re claims 3,5,6,18, 20 and 21: Pang et al. disclose(s) the claimed invention

except segment a portfolio of financial instruments into three valuation portions;

fully underwrite a first portion of the asset portfolio;

group and sample underwrite a second portion of the asset portfolio;

statistically infer values for a third portion of the asset portfolio. And use full

sampling procedures for categories of large assets within the

portfolio; and use partial sampling procedures for categories of small or medium

assets within the portfolio. And sample one hundred percent of a sample group of

assets; underwrite in full a portion of the sampling group of assets based on a

determined commonality within the sampling group. However, in Fig. 1,1A,1B,

col. 2, lines 50-60, col. 3, lines 10-65, col. 8, line 45-col. 9, line 21, Tables 1,II

and III, thereof, Freeman et al. disclose(s) a loan portfolio underwriting scheme

that separates the assets based on specific criteria and then forecasts(infers) the

future value and default rate of the asset in the portfolio. It would be obvious to

one of ordinary skill in the art to modify the invention of Pang et al. based on the

teachings of Freeman et al. The motivation to combine these references is to

make the portfolio analytics more efficient via consolidation within a database.

Re claims 7,8,22 and 23:   Pang et al. disclose(s) the claimed invention except

generate a full sampling group valuation; and desegregate the full sampling

group valuation according to a rule set to produce an individual full sample asset

value table. And form a cluster sample group; sample one hundred percent of a

representative group from within the cluster; randomly sample other groups

within the cluster; and determine the values of the remaining group by

extrapolating from the cluster sample group. However, in Fig. 1,1A,1B, col. 2,

lines 50-60, col. 3, lines 10-65, col. 8, line 45-col. 9, line 21,col. 11, line 30-col.

12, line 60, Tables 1,II and III, thereof, Freeman et al. disclose(s) a loan portfolio

underwriting scheme that separates the assets based on specific criteria and

then forecasts(extrapolating) the future value and default rate of the asset in the

portfolio. It would be obvious to one of ordinary skill in the art to modify the

invention of Pang et al. based on the teachings of Freeman et al. The motivation

to combine these references is to make the portfolio analytics more efficient via

forecasting and inferencing techniques.

Re claims 9 and 24: Pang et al. disclose(s) the claimed invention except

re-underwrite at an asset level to produce an alpha credit analyst table;

asset class adjust the alpha credit analyst table to produce an adjusted credit

analyst table; and select individual assets from the adjusted credit analyst table

according to tranche grouping to produce a partial sampling credit value, for use

in bidding. However, in Fig. 1,1A,1B, col. 2, lines 50-60, col. 3, line 10-col. 4, line

5, col. 8, line 45-col. 9, line 21,col. 11, line 30-col. 12, line 60, Tables 1,II and III,

thereof, Freeman et al. disclose(s) a loan portfolio underwriting scheme that

separates the assets based on specific criteria, classifying them into separate

tables, and then forecasts(extrapolating) the future value and default rate of the

asset in the portfolio. It would be obvious to one of ordinary skill in the art to

modify the invention of Pang et al. based on the teachings of Freeman et al. The

motivation to combine these references is to make the portfolio analytics more

efficient via forecasting and inferencing techniques.

Re claim 11: Pang et al. disclose(s) the claimed invention except

segment and classify assets(col. 3, lines 50-65); and evaluate the assets based

upon data feedback(col. 3, lines 5-23). However, in Fig. 1,1A,1B, col. 2, lines 50-

60, col. 3, lines 10-65, col. 8, line 45-col. 9, line 21,col. 11, line 30-col. 12, line 60,

Tables 1,II and III, thereof, Freeman et al. disclose(s) a loan portfolio

underwriting scheme that separates the assets based on specific criteria and

then forecasts(extrapolating) the future value and default rate of the asset in the

portfolio. It would be obvious to one of ordinary skill in the art to modify the

invention of Pang et al. based on the teachings of Freeman et al. The motivation

to combine these references is to make the portfolio analytics more efficient via forecasting and inferencing techniques.

Re claim 31: Pang et al. disclose a computer for rapid valuation of asset portfolios(Abstract, col. 2, lines 50-65), and configured to enable valuation process analytics(col. 4, lines 5-35, i.e. financial instrument engine), said computer programmed to:

value assets in a portfolio individually(col. 11, lines 40-65);

value assets in a portfolio individually(col. 11, lines 40-65);

list the asset values individually in tables(col. 17, lines 60-col. 18, lines 30);

optimize the bid pricing for desired risk/return tolerance(col. 9, lines 15-60,i.e. optimization, col. 11, lines 40-65).

Pang et al. disclose(s) the claimed invention except further configured with a database of asset portfolios; and sample one hundred percent of a sample group of assets; underwrite in full a portion of the sampling group of assets based on a determined commonality within the sampling group. However, in Fig. 1,1A,1B, col. 2, lines 50-60, col. 3, lines 10-65, col. 8, line 45-col. 9, line 21, Tables 1,II and III thereof, Freeman et al. disclose(s) local database which receives a wealth of statistical specific information about various loans; and analyzing and graphing results of computer model output combining the entire portfolio. It would be obvious to one of ordinary skill in the art to modify the invention of Pang et al.

based on the teachings of Freeman et al. The motivation to combine these references is to make the portfolio analytics more efficient via consolidation within a database.

Re claim 32: Pang et al. disclose a computer according to Claim 31 programmed to subject the assets in the portfolio to an iterative and adaptive valuation in which the assets in the portfolio are individually valued(col. 4, lines 5-35, i.e. financial instrument engine, col. 11, lines 40-65, col. 16, lines 25-35).

Re claims 33,35 and 36:   Pang et al. disclose(s) the claimed invention except segment a portfolio of financial instruments into three valuation portions;

fully underwrite a first portion of the asset portfolio;

group and sample underwrite a second portion of the asset portfolio;

and statistically infer values for a third portion of the asset portfolio.

And use full sampling procedures for categories of large assets within the portfolio; and use partial sampling procedures for categories of small or medium assets within the portfolio. And sample one hundred percent of a sample group of assets; underwrite in full a portion of the sampling group of assets based on a determined commonality within the sampling group.

However, in Fig. 1,1A,1B, col. 2, lines 50-60, col. 3, lines 10-65, col. 8, line 45-col. 9, line 21,col. 11, line 30-col. 12, line 60, Tables 1,II and III, thereof, Freeman et al. disclose(s) a loan portfolio underwriting scheme that separates the assets based on specific criteria and then forecasts(infers) the future value and default rate of the asset in the portfolio. It would be obvious to one of ordinary skill in the

art to modify the invention of Pang et al. based on the teachings of Freeman et al. The motivation to combine these references is to make the portfolio analytics more efficient via consolidation within a database.

Re claims 37 and 38: Pang et al. disclose(s) the claimed invention except generate a full sampling group valuation; and desegregate the full sampling group valuation according to a rule set to produce an individual full sample asset value table. And form a cluster sample group; sample one hundred percent of a representative group from within the cluster; randomly sample other groups within the cluster; and determine the values of the remaining group by extrapolating from the cluster sample group. However, in Fig. 1,1A,1B, col. 2, lines 50-60, col. 3, lines 10-65, col. 8, line 45-col. 9, line 21,col. 11, line 30-col. 12, line 60, Tables 1,II and III, thereof, Freeman et al. disclose(s) a loan portfolio underwriting scheme that separates the assets based on specific criteria and then forecasts(extrapolating) the future value and default rate of the asset in the portfolio. It would be obvious to one of ordinary skill in the art to modify the invention of Pang et al. based on the teachings of Freeman et al. The motivation to combine these references is to make the portfolio analytics more efficient via forecasting and inferencing techniques.

Re claims 39: Pang et al. disclose(s) the claimed invention except re-underwrite at an asset level to produce an alpha credit analyst table;

asset class adjust the alpha credit analyst table to produce an adjusted credit

analyst table; and select individual assets from the adjusted credit analyst table

according to tranche grouping to produce a partial sampling credit value, for use

in bidding. However, in Fig. 1,1A,1B, col. 2, lines 50-60, col. 3, line 10-col. 4, line

5, col. 8, line 45-col. 9, line 21,col. 11, line 30-col. 12, line 60, Tables 1,II and III,

thereof, Freeman et al. disclose(s) a loan portfolio underwriting scheme that

separates the assets based on specific criteria, classifying them into separate

tables, and then forecasts(extrapolating) the future value and default rate of the

asset in the portfolio. It would be obvious to one of ordinary skill in the art to

modify the invention of Pang et al. based on the teachings of Freeman et al. The

motivation to combine these references is to make the portfolio analytics more

efficient via forecasting and inferencing techniques.

8.   Claims 25 and 26 are rejected under 35 U.S.C. 103(a) as being

unpatentable over Pang et al. and Freeman et al. as applied to claim 18 above,

and further in view of Graham L. Goodman et al., "A Gaussian Mixture Model

Classifier Using Supervised and Unsupervised Learning", International

Symposium on Signal Processing and its Applications, ISSPA, Gold Coast,

Australia, 25-30 August 1996 and Thiesson et al.(U.S. PAT. 6408290 B1).

Re claim 25: Pang et al. and Freeman et al. disclose(s) the claimed invention

except configured to utilize both a supervised and an unsupervised learning

process. However, in page 565-567, thereof, Graham L. Goodman et al.

disclose a mixture model classifier using supervised and unsupervised learning.

It would be obvious to one of ordinary skill in the art to modify the invention of

Pang et al. and Freeman et al. based on the teachings of Graham L. Goodman et

al. The motivation to combine these references is to make the portfolio analytics

more efficient via forecasting and inferencing techniques.

Pang et al., Freeman et al. and Graham L. Goodman et al. disclose(s) the

claimed invention except a statistical inferencing algorithm to produce an

underwriting clusters table. However, in the Abstract, col. 3 line 25-col. 4, line 30,

col. 6, lines 35-65, thereof, Thiesson et al. disclose clustering data into tables

based on algorithms. It would be obvious to one of ordinary skill in the art to

modify the invention of Pang et al., Freeman et al. and Graham L. Goodman et al.

based on the teachings of Thiesson et al. The motivation to combine these

references is to make the portfolio analytics more efficient via forecasting and

inferencing techniques.

Re claim 26: Pang et al., Graham L. Goodman et al. and Thiesson et al.

disclose(s) the claimed invention except segment and classify assets(col. 3, lines

50-65); and evaluate the assets based upon data feedback(col. 3, lines 5-23).

However, in Fig. 1,1A,1B, col. 2, lines 50-60, col. 3, lines 10-65, col. 8, line 45-

col. 9, line 21,col. 11, line 30-col. 12, line 60, Tables 1,II and III, thereof, Freeman

et al. disclose(s) a loan portfolio underwriting scheme that separates the assets

based on specific criteria and then forecasts(extrapolating) the future value and

default rate of the asset in the portfolio. It would be obvious to one of ordinary skill
in the art to modify the invention of Pang et al. based on the teachings of Freeman
et al. The motivation to combine these references is to make the portfolio analytics
more efficient via forecasting and inferencing techniques.

9.   Claims 12,13,14,15,27,28,29, and 30 rejected under 35 U.S.C. 103(a) as
being unpatentable over Pang et al. and Freeman et al. as applied to claims 9
and 24 above, and further in view of James C. Bezdek et al., "FCM: The Fuzzy c-
Means Clustering Algorithm", Computers & Geosciences, Vol. 10, No. 2-3, pp
191-203, 1984 and Kenneth L. Parkinson et al., "Using Credit Screening to
Manage Credit Risk", Business Credit, March 1998, vol. 100, nbr. 3, p. 22.

Re claims 12 and 27: Pang et al. and Freeman et al. disclose(s) the claimed
invention except server is configured to cluster assets using fuzzy-C means
clustering (FCM). However, in pages 191-193 thereof, James C. Bezdek et al.
disclose(s) the fuzzy-C means clustering (FCM) technique. It would be obvious to
one of ordinary skill in the art to modify the invention of Pang et al. and Freeman
et al. based on the teachings of James C. Bezdek et al. The motivation to
combine these references is to ensure a consistent clustering strategy among
variable data.

Pang et al., Freeman et al. and James C. Bezdek et al. disclose(s) the claimed invention except a composite High/Expected/Low/Timing/Risk (HELTR) scoring technique. However, in page 22, 2nd paragraph thereof, Kenneth L. Parkinson et al. disclose(s) a scoring technique for bidding on lots or tranches of loans. It would be obvious to one of ordinary skill in the art to modify the invention of Pang et al., Freeman et al. and James C. Bezdek et al. based on the teachings of Kenneth L. Parkinson et al. The motivation to combine these references is ensure consistent credit analysis for all assets in the group or tranche.

Re claims 13,14,15, 28,29 and 30: Pang et al. and Freeman et al. disclose(s) the claimed invention except segment into one category assets deemed to have sufficient commonality for evaluation as a whole; and segment into a second category assets without sufficient commonality for evaluation as a whole. And divide the second category of assets into clusters; and divide the clusters into sub-clusters. And wherein said server is configured to regroup the sub-clusters into tranches for bidding purposes. However, in pages 191-193 thereof, James C. Bezdek et al. disclose(s) the fuzzy-C means clustering (FCM) technique. This technique is inherently used to group like items together. It would be obvious to one of ordinary skill in the art to modify the invention of Pang et al. and Freeman et al. based on the teachings of James C. Bezdek et al. The motivation to combine these references is to ensure a consistent clustering strategy among variable data.

10.   Claims 40 and 41 are rejected under 35 U.S.C. 103(a) as being

unpatentable over Pang et al. and Freeman et al. as applied to claim 18 above,

and further in view of Graham L. Goodman et al., "A Gaussian Mixture Model

Classifier Using Supervised and Unsupervised Learning", International

Symposium on Signal Processing and its Applications, ISSPA, Gold Coast,

Australia, 25-30 August 1996 and Thiesson et al.(U.S. PAT. 6408290 B1).

Re claim 40: Pang et al. and Freeman et al. disclose(s) the claimed invention

except configured to utilize both a supervised and an unsupervised learning

process. However, in page 565-567, thereof, Graham L. Goodman et al.

disclose a mixture model classifier using supervised and unsupervised learning.

It would be obvious to one of ordinary skill in the art to modify the invention of

Pang et al. and Freeman et al. based on the teachings of Graham L. Goodman et

al. The motivation to combine these references is to make the portfolio analytics

more efficient via forecasting and inferencing techniques.

Pang et al., Freeman et al. and Graham L. Goodman et al. disclose(s) the

claimed invention except a statistical inferencing algorithm to produce an

underwriting clusters table. However, in the Abstract, col. 3 line 25-col. 4, line 30,

col. 6, lines 35-65, thereof, Thiesson et al. disclose clustering data into tables

based on algorithms. It would be obvious to one of ordinary skill in the art to

modify the invention of Pang et al., Freeman et al. and Graham L. Goodman et al.

based on the teachings of Thiesson et al. The motivation to combine these references is to make the portfolio analytics more efficient via forecasting and inferencing techniques.

Re claim 41: Pang et al., Graham L. Goodman et al. and Thiesson et al. disclose(s) the claimed invention except segment and classify assets; and evaluate the assets based upon data feedback. However, in Fig. 1,1A,1B, col. 2, lines 50-60, col. 3, lines 10-65, col. 8, line 45-col. 9, line 21,col. 11, line 30-col. 12, line 60, Tables 1,II and III, thereof, Freeman et al. disclose(s) a loan portfolio underwriting scheme that separates the assets based on specific criteria and then forecasts(extrapolating) the future value and default rate of the asset in the portfolio. It would be obvious to one of ordinary skill in the art to modify the invention of Pang et al., Graham L. Goodman et al. and Thiesson et al. based on the teachings of Freeman et al. The motivation to combine these references is to make the portfolio analytics more efficient via forecasting and inferencing techniques.

11.   Claims 42-45 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pang et al. and Freeman et al. as applied to claim 39 above, and further in view of James C. Bezdek et al., "FCM: The Fuzzy c-Means Clustering Algorithm", Computers & Geosciences, Vol. 10, No. 2-3, pp 191-203, 1984 and Kenneth L.

Parkinson et al., "Using Credit Screening to Manage Credit Risk", Business

Credit, March 1998, vol. 100, nbr. 3, p. 22.

Re claim 42: Pang et al. and Freeman et al. disclose(s) the claimed invention

except server is configured to cluster assets using fuzzy-C means clustering

(FCM). However, in pages 191-193 thereof, James C. Bezdek et al. disclose(s)

the fuzzy-C means clustering (FCM) technique. It would be obvious to one of

ordinary skill in the art to modify the invention of Pang et al. and Freeman et al.

based on the teachings of James C. Bezdek et al. The motivation to combine

these references is to ensure a consistent clustering strategy among variable data.

Pang et al., Freeman et al. and James C. Bezdek et al. disclose(s) the claimed

invention except a composite High/Expected/Low/Timing/Risk (HELTR) scoring

technique. However, in page 22, 2nd paragraph thereof, Kenneth L. Parkinson et

al. disclose(s) a scoring technique for bidding on lots or tranches of loans. It

would be obvious to one of ordinary skill in the art to modify the invention of Pang

et al., Freeman et al. and James C. Bezdek et al. based on the teachings of

Kenneth L. Parkinson et al. The motivation to combine these references is ensure

consistent credit analysis for all assets in the group or tranche.

Re claims 43,44 and 45: Pang et al. and Freeman et al. disclose(s) the claimed invention except segment into one category assets deemed to have sufficient commonality for evaluation as a whole; and segment into a second category assets without sufficient commonality for evaluation as a whole. And divide the second category of assets into clusters; and divide the clusters into sub-clusters. And wherein said server is configured to regroup the sub-clusters into tranches for bidding purposes. However, in pages 191-193 thereof, James C. Bezdek et al. disclose(s) the fuzzy-C means clustering (FCM) technique. This technique is inherently used to group like items together. It would be obvious to one of ordinary skill in the art to modify the invention of Pang et al. and Freeman et al. based on the teachings of James C. Bezdek et al. The motivation to combine these references is to ensure a consistent clustering strategy among variable data.

Allowable Subject Matter

12.   Claims 4, 19 and 34 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Debra F. Charles whose telephone number is

(703) 305-4718. The examiner can normally be reached on 9-5 Monday thru
Friday.

If attempts to reach the examiner by telephone are unsuccessful, the
examiner's supervisor, Frantzy Poinvil can be reached on (703) 305-9779. The
fax phone number for the organization where this application or proceeding is
assigned is 703-872-9306.

Information regarding the status of an application may be obtained from
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direct.uspto.gov. Should you have questions on access to the Private PAIR
system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-
free).

FRANTZY POINVIL
PRIMARY EXAMINER
AU 3628

Debra F. Charles

Examiner

Art Unit 3628

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